



Occidental Oil and Gas Corporation

NEWS RELEASE

For Immediate Release: September 14, 2004

OCCIDENTAL PARTNERS WITH EPA
TO FURTHER REDUCE EMISSIONS FROM OIL AND GAS OPERATIONS

(ELK HILLS, CA) -- Occidental Oil and Gas Corporation announced today that it is partnering with the U.S. Environmental Protection Agency through its Natural Gas STAR program to evaluate, implement, and report on cost-effective technologies and practices to reduce methane emissions from its oil and gas operations.

"Natural Gas STAR is a win-win approach to addressing concerns about global climate change," said Roger Fernandez, Program Manager for the EPA. "Natural Gas STAR partners reduce gas losses, improve operational efficiencies, and save money while protecting the environment by reducing emissions of greenhouse gases and other air pollutants. EPA is excited to be working with Occidental to meet these important economic and environmental goals."

The Natural Gas STAR program is a voluntary, non-regulatory partnership between EPA and the oil and gas industry that provides a forum for companies to share Best Management Practices and Partner Reported Opportunities for efficiently reducing methane emissions. Methane, the primary component of natural gas, is considered a greenhouse gas.

The signing ceremony took place at Occidental's Elk Hills oil and gas field, California's largest natural gas producer.

"We welcome this partnership with the EPA," John Morgan, President of Occidental Oil and Gas Corporation said at the signing ceremony. "Our Natural Gas STAR partnership is another example of Occidental's commitment to minimize our environmental footprint.

Consistent with our business plan of being an efficient, low-cost producer, we have worked to reduce emissions, including greenhouse gas emissions, in operations worldwide. Projects that reduce emissions can often lower operating costs as well – demonstrating that cutting emissions often makes good business sense, in addition to improving air quality."

Since taking over operations at Elk Hills in 1998, Occidental has removed half of the production and processing tanks at the oil and gas field. Fewer tanks reduce the likelihood of emission releases. The company is evaluating the possibility of going to "tankless" operations at the Elk Hills field at some point in the future. Additionally, to reduce emissions, Occidental conducts inspections on more than 900,000 equipment components in the field four times more frequently than required by state air quality regulations.

Frequent inspections help Occidental technicians prevent mechanical problems that can lead to emission releases.

"Clean, efficient and cheap energy is critical to a healthy economy and makes possible our high tech world, transportation options and our modern lifestyles," said Morgan. "However, meeting society's immediate needs should not come at the expense of future generations. While it is essential to pursue new sources of energy, it is equally important to carry out our work in an environmentally responsible way."

Statements in this release that contain words such as "will" or "expect," or otherwise relate to the future, are forward-looking and involve risks and uncertainties that could significantly affect expected results. Factors that could cause results to differ materially include, but are not limited to: global commodity pricing fluctuations, and supply/demand consideration for oil, gas and chemicals; higher-than-expected costs; and not successfully completing (or any material delay in) any expansion, capital expenditure, acquisition, or disposition. Occidental disclaims any obligation to update any forward-looking statements.

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